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# Romania: The Outlook for Ceausescu

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Special National Intelligence Estimate Memorandum to Holders

**Top Secret** 

SNIE 12.7-83 February 1985

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# MEMORANDUM TO HOLDERS OF SNIE 12.7-83

## ROMANIA: THE OUTLOOK FOR CEAUSESCU

Information available as of 11 February 1985 was used in the preparation of this Estimate, which was approved by the National Foreign Intelligence Board on 13 February 1985.

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### THIS ESTIMATE IS ISSUED BY THE DIRECTOR OF CENTRAL INTELLIGENCE.

### THE NATIONAL FOREIGN INTELLIGENCE BOARD CONCURS, EXCEPT AS NOTED IN THE TEXT.

The following intelligence organizations participated in the preparation of the Estimate:

The Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, and the intelligence organization of the Department of State.

#### Also Participating:

The Assistant Chief of Staff for Intelligence, Department of the Army

The Director of Naval Intelligence, Department of the Navy

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#### **SCOPE NOTE**

SNIE 12.7-83 judged that President Ceausescu's position would grow increasingly precarious over the next year as a result of the continued deterioration of economic and social conditions but also judged that Ceausescu's resources for defending his position gave him a better than even chance of surviving the next 12 months. Ceausescu has indeed maintained his hold on power, but lingering economic problems mean that disaffection within the party, the government bureaucracy, and the country remain the most serious threat to Ceausescu's reign. This Memorandum to Holders examines Ceausescu's prospects for the next two to three years. It also assesses the impact of the country's bleak economic outlook on Bucharest's ability to follow policies that sometimes run counter to Soviet objectives.

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KEY JUDGMENTS	
President Ceausescu appears to be maintaining his strong grip over Romania and chances are good that he will remain in power the next two to three years at least. If he is challenged, it will probably be over the country's serious economic problems.	
Ceausescu has preserved his already strong position by further consolidating his dominance of the party and government bureaucracy, as demonstrated by his total mastery of the party congress in November 1984. His critics are off balance due to frequent cadre rotations and the strong punitive action taken against the few who have openly disagreed with him. Close relatives and cronies remain in control of those sectors of the apparatus that are vital to protecting his position. Moreover, Ceausescu's tightened internal security controls have intimidated the population, which so far is unwilling to openly challenge the regime.	
Despite his show of political strength, however, Ceausescu remains vulnerable on several counts. He has still not solved, and indeed is largely responsible for, Romania's serious economic problems. He has steadfastly maintained a strategy of combating Romania's financial difficulties by draconian measures that restrict imports, cut investments, and squeeze the consumer. The resulting austerity has seriously weakened the economy and could undermine its future growth potential. The economy at best will grow only slightly over the next few years. In fact, the situation of the populace appears worse in the winter of 1984-85 because of energy and food shortages and severe weather.	
Without a common rallying point or a tradition of militancy or solidarity, the Romanian populace probably will remain incapable of united action. While the population generally is not resorting to open protests over its difficult economic plight, chances for unrest are likely to increase as economic problems multiply. Tensions within the Hungarian minority are escalating and could raise the level of discontent the authorities face.	
The regime appears capable of keeping most protests under control, but prolonged, large-scale unrest could seriously weaken Ceausescu's grip on the bureaucracy. His problems might be aggravated by morale problems in the military and security services. If their effectiveness and reliability as Ceausescu's protector are reduced, previously cowed subordinates might be emboldened to move against him before he turns on them as scapegoats.	

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Ceausescu will also continue to pursue good relations with the West, and particularly the United States, as he needs to counterbalance Soviet pressure and influence. He may even make some slight accommodations to US interests in the foreign policy and human rights areas in the hope of securing assistance for Romania's ailing economy. His care not to overly antagonize the Soviets will inhibit significantly greater independence in foreign policy, however, and he is likely to regard US urgings to soften his internal rule as unacceptable interference in Romania's internal affairs	25 <b>X</b> 1
Although he may accommodate Soviet interests a bit more in order to keep alive the chances for a beneficial economic deal, Ceausescu will take care not to compromise Romania's relative independence in foreign policy. To do so would endanger his sole remaining source of domestic legitimacy and put him at the mercy of the Soviets, who neither like nor trust him. Although the Soviets would like to entice Ceausescu into more cooperative behavior, they probably are unwilling to extend substantial aid or to favor him with increasingly scarce resources without more substantial concessions than he appears prepared to give.	25 <b>X</b> 1
There is reason to question the strength and durability of this trend. Negotiations on the economic agreements have bogged down on the issue of Romanian obligations, and none of the major ones appear to be final. Nor have political or military relations improved substantially. The Romanians, in fact, defied the Soviets on several occasions during 1984, including their disregard of the Soviet-led boycott of the Olympic Games and Ceausescu's visit to West Germany in October. His footdragging in negotiating an extension of the Warsaw Pact treaty, which expires this spring, also suggests he is not prepared to improve military cooperation significantly	25 <b>X</b> 1
As Romania's internal problems worsen, Ceausescu may be tempted to bring Romania closer to the USSR in an effort to obtain economic help. Agreements "in principle" reportedly reached last summer to increase substantially Soviet deliveries of oil and other key raw materials in return for greater Romanian investment in the extraction of these commodities suggest Ceausescu is already moving in this direction.	25 <b>X</b> 1
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#### **DISCUSSION**

1. SNIE 12.7-83 judged that President Ceausescu's position would grow increasingly precarious over the next year as a consequence of the continued deterioration of economic and social conditions and increased dissatisfaction throughout the party and governmental bureaucracy. It also judged, however, that Ceausescu's enormous resources for defending his position, including his near-total domination of the party and government and his control of the pervasive security apparatus, gave him a better than even chance of surviving the next 12 months. The SNIE further judged that:

— The Soviets might try to use Ceausescu's difficulties to gain more subservience from him, but would probably not use their limited economic or political leverage to try to topple Ceausescu or to force a major change in his foreign policies.

- The USSR would, however, probably feel compelled to take action, perhaps even an effort to oust Ceausescu, if the collapse of Communist rule in Romania appeared a real danger or if Ceausescu or his successors turned Romania sharply to the West and tried to withdraw from the Warsaw Pact.
- US assistance and support would help Ceausescu maintain his present position vis-a-vis the Soviets, but the chances are slim that the United States could induce behavior by Ceausescu or his successors that is significantly more congenial to US interests than at present.
- A post-Ceausescu leadership would probably not make drastic changes in Romanian domestic or foreign policies, although it might explore closer relations with the USSR in the hope of getting economic help.
- 2. These judgments generally remain valid today. Ceausescu has survived the year without any apparent difficulty. But although he seems to have strengthened his control over the party and government and contin-

ues to stifle any opposition, the policies that he has implemented over the last year have done little to solve Romania's serious economic and social problems.

#### Ceausescu Maintains Control

#### Domestic Measures

3. Ceausescu's mastery of the Communist party congress in November 1984 confirmed that his grip on power remains strong. Careful screening of all speakers assured there would be no open criticism of Ceausescu, such as occurred at the previous congress in 1979. Ceausescu and his policies received abundant praise from all who took the podium, and all of his closest supporters were "reelected" to their current positions. His wife Elena received no new position, but she continues to maintain her role as his closest collaborator in the regime. Several relatives and cronies were promoted, including his controversial son, Nicu, and state security chief Tudor Postelnicu, who gained candidate memberships on the policymaking Political Executive Committee.

4. Ceausescu's critics within the bureaucracy have been paralyzed by his apparent invincibility and by fear of losing the perquisites of office—and possibly their freedom. The example of onetime Ceausescu-confidant and heir apparent Virgil Trofin, who—expelled from the Central Committee in 1981 reportedly for talking back to Ceausescu—died in obscurity last year, probably deters many from openly criticizing Ceausescu's leadership. Periodic "rotations of cadres" implemented again this year before and at the congress have added to the insecurity of his subordinates.

5. By continuing to tighten security controls over the populace, Ceausescu has intimidated dissenters in and out of the government. Through a pervasive informer network, the "Securitate" closely monitors worker attitudes and has been able to identify potential troublemakers and move quickly against them. Discouraged by the ease and firmness with which the regime has squelched protests against its austere and

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repressive policies over the past three to for population appears resigned to substantia			nore frequent party-to-party ex increase in military cooperation	
and preoccupied with the day-to-day task Despite two successive harsh winters d severe food and energy shortages brou- further deterioration in already poor livir ing conditions, popular expression of d mainly took the form of grumbling, incr teeism, and declines in worker produ- isolated work stoppages and demonstra	of surviving. uring which ght about a ng and work- lissatisfaction reased absen- ctivity, with	9. There are between the tw tial and durabl most of the ecappear bogged		25X´ g trend ubstan- out on tiations manian
than the sporadic violence that took place three years.  6. Finally, Ceausescu may have ber	the previous	meet Soviet der edly made by C	nia seems either unwilling or un mands. The political concessions Ceausescu also appear ethereal. If ets do increase, they will certai	report- party-
some apparent policy successes. First, defiance of the Soviet-led boycott of t	Ceausescu's	under such tigh	at restrictions and scrutiny as to p influence by the Soviets in Rom	orevent ania. 25 <b>X</b> 1
Games last summer and his visit to West of fall against Soviet wishes demonstrated the capable of bold diplomatic moves that a population's nationalistic sentiments. See as a result of austerity and sharp cuts imports, Romania has recorded a curr surplus for the third consecutive year and reduced its hard currency debt. Althus "successes" appear to be short term, if unlikely to reap substantial and lasting me fits for Romania, they may have created	hat he is still appeal to the cond, largely in Western rent account thus further hough these illusory, and aterial bene-	greater militar within the War that end by Co defense spendir Bucharest appe in 1984 as the including the sa homemade equ	on, there is no evidence of signification, there is no evidence of signification of the cooperation—either bilatera is aw Pact—despite greater lipser eausescu. Ceausescu continues to no military modernization. It ared to slide backward in some recreated to some state of the slide	ficantly ally or vice to o limit indeed, espects easures, fleet of or hard
respect for Ceausescu's toughness and abi		usage. Ceausescia's prohibition	ou also shows no sign of altering F s against holding joint military r nian territory or participating i	Roman- 25X1 naneu-
7. With serious internal problems p Ceausescu has trimmed his previous effort role of world statesman. His most importa in foreign policy has been to lessen pol with the USSR in the hope of acquiring e	ts to play the ant new tack litical strains	maneuvers abroly has tried to a expires this secure to a large als for a 20- to	oad except at a staff level. He repairmend the Warsaw Pact treaty—spring—to recognize this portedly has also balked at Soviet 130-year extension period.	ported- -which osition. oropos- 25X
with as few "strings" as possible.  8. In an effort to alleviate Romania's key raw materials and energy supplies negotiated preliminary arrangements wit last summer that, in the event they are out, could bring the two countries closer t	s, Ceausescu th the USSR fully carried	policy. Besides boycott of the visit to West	suggests that Ceausescu the independent aspects of his his decision to defy the Sov Olympic Games last summer a Germany in October, Ceauses time to time to take a line on	foreign viet-led und his cu has
they have been at any time during Ceau the US	usescu's rule. SR agreed in oil to Roma-	Germany, Hur	that of the Soviets and, has worked in recent months wingary, and Bulgaria to urge are by the Warsaw Pact in Eas	more
nia over the next several years, possibly current exports by 1990, and to sell it on The Soviets also reportedly agreed to in term deliveries of coal, iron ore, and na	easier terms. icrease long-	relations.  Soviet Conce		25X′
return for additional Romanian investme extraction of those commodities.  Ceausescu pledged an in in political relations—by improving Mosco ly very limited access to senior Romanian	ent in Soviet mprovement ow's current-	stable Commun with which it sh Moscow appare	GR's priority interest is to main nist regime in a Warsaw Pact of nares an 830-mile border. On this ently remains confident in Ceau e reported concerns about the ne	ountry 25X1 s score, 25X1 usescu's

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limited new austerity measures. This tack might help Romania avoid a financial crisis in 1985, but the same		25X1
problem probably would return in 1986, and these half measures would do little to improve Romania's overall economic picture.	Political Disaffection	25X1
Social Discontent  20. Living conditions, as a result of Ceausescu's policies, have continued to deteriorate. Food shortages worsened last winter, as local governments reportedly cut rations of basic foodstuffs and even bread became scarce in some parts of the country. Coercive measures enacted in 1984 to force private farmers to increase	23. Widespread criticism within the lower and middle regime bureaucracy continues. Ceausescu's handling of the economy, particularly his refusal to alter his industrialization strategy or reduce central control, is the main target. At the party congress last November, Ceausescu defended his policy of heavy state involvement in economic management and criticized "all sorts of theories" favoring decentralization.	05.74
sales to the state did nothing to improve the very short supply of farm produce and meat throughout the year. Fuel shortages the last two winters, besides reducing	economic reformists in Romania contends that mar- ket-oriented reforms are imperative to prevent further	25X1
supplies for home heating, caused plant closings and production bottlenecks. In turn, there were pay cuts for many Romanian workers who were unable to meet production quotas. While worker unhappiness has mainly been manifested in grumbling, increased absenteeism, and occasional antiregime leaflets and graf-	24. Dissatisfaction over Ceausescu's autocratic and personalized ruling style was probably exacerbated by	25X1
fiti, sporadic strikes have continued into 1985.  21. A number of other economic and social measures enacted by the regime last year have provoked criticism. Parliament in June adopted Ceausescu's plan for a bizarre "scientific diet" which recommends that	the intensification of his personality cult and promotion of several relatives—especially his playboy son—at the party congress in November.	25X1
deprived Romanians eat fewer calories for health reasons. Another program enacted in March 1984 to increase the birth rate toughens measures to prevent abortions and forbids the sale and distribution of contraceptives. Teams of gynecologists in factories and	25. We believe that Ceausescu is concerned about	25X1
institutes examine female workers to assure that pregnancies are not terminated. In December, a national literary journal boldly published poems critical of the regime for using coercive methods "even before birth." The responsible chief editor and the author lost their jobs.  22. Restiveness among Romania's nearly 2 million	the possibility of trouble in the ranks of the military-security apparatus. A broad reshuffle of provincial security chiefs and army field commanders last fall ostensibly was to bring new blood into the upper ranks of these services. It also may have reflected concern about their loyalty.	25 <b>X</b> 1
Hungarian minority appears to be on the increase. Many ethnic Hungarians believe they are victims of regime discrimination, especially in restricted employment and the lack of opportunities for education in their mother tongue. They chafe at the growing disparity between their lot and the comparatively good situation of their conationals in Hungary. Concern about antiregime sentiment in the Hungarian	Earlier in 1984 Ceausescu appeared to have quieted grumbling in the military with pay raises, promotions, and enhanced status, and he has always pampered the security forces. It is possible that the new personnel shifts—especially in the security apparatus—reflect Ceausescu's irritation over the inability to stop continuing low-level criticism of his rule and antiregime activity by ethnic Hungarian nationalists.	
community escalated following a powerful explosion last June in a heavily ethnic-Hungarian city in Transylvania, which authorities suspect was set off by Hungarian nationalists.		25X1 25X1 25X1
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#### Outlook

26. Ceausescu's firm control of the apparatus and ruthlessness in suppressing dissent probably will enable him to maintain his political dominance over at least the next two to three years, which is the time frame of this Estimate. But his tactic of increasing repressive measures may not override discontent due to economic problems.

27. He appears to have little to fear from his cowed and insecure subordinates. A master at behind-thescene maneuvering, Ceausescu has acquired enormous personal power over decisionmaking and has rendered the party and government apparatus incapable of independent action. Family members or cronies who control every sector vital to maintaining his control cadre selection, the military, the security forces—will see his word as law. His frequent infusions of new blood into party and government ranks through periodic cadre rotations will keep potential rivals off balance and assure the loyalty of the newcomers, who owe their enhanced status and authority to him. To this end. Ceausescu replaced nearly one-half of the Central Committee at the party congress, reportedly including a large portion of the "old guard," so his grip on the party elite should continue strong for some time to come.

28. Ceausescu probably will stick to his tactics of defusing popular discontent by occasionally channeling scarce resources to relieve the most volatile tensions, forcefully suppressing overt protests whenever they occur, and maintaining tight controls over the populace. Without a common rallying point or a tradition of militancy or solidarity, the population probably will remain incapable of united action and demoralized by the seeming futility of challenging the regime. Even so, Ceausescu's program could be tested over the next few months, though we expect him to come through the experience much as he has in the past three years.

29. This year will be very difficult for most Romanians. Food supplies remain short and could even decline in the event of another mediocre grain harvest and continued regime efforts to maximize food exports to earn hard currency. Energy shortages, too, are likely to continue as a result of the especially severe winter and continued emphasis on exports of oil products.

30. In the area of foreign relations, we believe Ceausescu will continue to be somewhat more accommodating to Soviet interests as long as negotiations on potentially beneficial economic deals are taking place.

31. Despite his more accommodating stance, however, Ceausescu will take care not to compromise Romania's relative independence. To do so would forfeit his sole remaining source of domestic legitimacy and put him at the mercy of Moscow, which has little reason to like or trust him. Ceausescu, therefore, will continue to resist Soviet efforts to integrate Romania more fully into the Warsaw Pact and the Council for Mutual Economic Assistance and will try to strengthen ties with the West, the Third World, and China as a buffer against Soviet pressure.

32. The Soviets, moreover, probably will not go very far in their courtship of Ceausescu. Hard pressed by their own economic problems, they would prefer not to expend substantial resources to try to wring greater obedience from Ceausescu, who appears unlikely to give them what they want and whose troublesome behavior in any case has never directly threatened their vital security interests. To give significant aid to Ceausescu at this time, moreover, could cause problems with the USSR's more strategically important East European allies, who have had to accept reductions in Soviet subsidies in recent years.

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33. Ceausescu will continue to value good relations with the West, and particularly the United States, as a source of both prestige and support for his independent-minded foreign policy. Worsening economic problems at home could incline him from time to time to try to accommodate US interests in the foreign policy and human rights areas in the hope of obtaining assistance. Ceausescu's willingness and ability to pursue a foreign policy line more compatible with US interests, however, will remain greatly limited by his concern not to exceed what he perceives as the limits of Soviet tolerance, and he will continue to reject most US urgings to moderate his repressive internal policies as unacceptable interference in Romania's internal affairs.		25X1 25X
The Threat to Ceausescu  34. We are unable to predict with confidence how much more deprivation would lead the populace to react violently. Despite lowered expectations and successful regime intimidation, there presumably is a low point that will induce the people to act against a government that fails to provide basic needs. This saturation point is not likely soon unless there is a sudden worsening of living conditions. Similarly, serious ethnic unrest could make grievances over the deteriorating economic situation harder to suppress.  35. Although the regime seems likely to control social unrest, any prolonged, large-scale protests could gradually weaken Ceausescu's grip on the party and government bureaucracy. Morale problems in the military-security apparatus could be aggravated, thus blunting its effectiveness and lowering its reliability as the main prop of Ceausescu's authority. Ceausescu's aura of invincibility could weaken, and previously cowed subordinates might be encouraged to move against him—especially if they fear being sacrificed as scapegoats	Ceausescu nor her son, Nicu, would be able to succeed Ceausescu other than on an interim basis. Although they have a number of allies in the top leadership, their power is essentially derivative and they are widely disliked. A post-Ceausescu leadership would probably be collective in nature for at least a few years, as no one but Ceausescu appears to have sufficient stature to stand alone. Individuals from Ceausescu's inner circle would probably dominate such a leadership. Bobu, Postelnicu, Dascalescu, and First Deputy Prime Minister Gheorghe Oprea especially stand out as likely to play a major role.  38. We believe that a post-Ceausescu leadership would not stray far from the essence of current Ceausescu policies. Ceausescu's top subordinates appear to believe in at least the major thrust of his hardline domestic strategy and his independent-minded foreign policy and probably would consider any sudden, major changes as potentially destabilizing. They might step back somewhat from Ceausescu's more onerous internal policies in an effort to gain the population's confidence, however, and might pursue a marginally less troublesome role in Warsaw Pact	25X1 25×25X 25X
	Such a move, nonetheless, probably would be made only after considerable pressure had built up against him, possibly over a period of several months to a year. The following indicators could provide an early warning that Ceausescu is encountering problems of such magnitude that they could	25X1
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endanger his position and/or his relatively independent foreign policy:

- Increased defensiveness in Ceausescu's policy statements, which could reflect growing criticism and debate within the leadership.
- Greater visibility by Ceausescu's subordinates, which would be highly unusual given the usual media focus on Ceausescu and his family, and could reflect Ceausescu's desire to spread the blame for unpopular decisions or signal a weakening of his position in the leadership.
- Ceausescu's withdrawal from foreign activity or from public view, which would be out of character and might signal growing preoccupation with internal problems.
- Significantly heightened security or an increased Securitate role in the regime, which could indicate concern about social unrest or about a potential challenge to Ceausescu from within the leadership.
- Sharp cuts in rations of food, energy supplies, and other consumer goods.
- Increasing rapidity, scope, and severity of personnel changes, which could indicate an effort to find scapegoats in order to assuage public discontent or concern about possible conspiracies. Such actions could actually prompt a challenge to Ceausescu by subordinates fearful of losing their own positions.

- A significant increase in cooperation with the USSR or with the United States, which could reflect a leadership struggle or Ceausescu's belief that internal problems had worsened to the point that there was no other way to save his regime.
- Widening social protests, especially by miners, who touched off the rash of protests of 1980-81, or by the Hungarian minority.
- Evidence of serious discontent within the military and/or security forces, which are the main props of Ceausescu's power.
- The demotion and/or criticism of Ceausescu's highly placed relatives, especially his wife, which would indicate he was losing control of the political process.
- Increased Soviet warnings or threats directed against Ceausescu, which could presage a major hardening of Soviet policy toward Romania, possibly to include an effort to topple him.
- 40. The appearance of these indicators would not necessarily imply that Ceausescu was on his way out or that Romania was about to come under Moscow's thumb. It would, however, especially if several appeared in a relatively short span of time, signal that Ceausescu was experiencing unusual difficulty and should alert the Intelligence Community to the need for a heightened analytical and collection posture.

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